HB 2523: youth employment

PRIME SPONSOR: Representative Grantham, LD 12

BILL STATUS: Regulatory Affairs

<u>Overview</u>

Allows an employer to pay a wage equal to or greater than the federal minimum wage if the employee meets certain requirements.

History

The current federal minimum wage is \$7.25 (Fair Labor Standards Act).

A.R.S. § 23-363 outlines the state minimum wage and prohibits employers from paying their employees less than \$11 as of January 1, 2019 and \$12 as of January 1, 2020. For any employee who customarily and regularly receives tips or gratuities, an employer may pay a wage up to \$3.00 per hour less than the minimum wage. The employer must be able to establish that when adding tips received to wages paid, the employee received no less than the minimum wage for all hours worked.

Employment of individuals under the age of 16 must be confined to:

- a. No more than 40 hours a week when not enrolled in a session of school or when school is not in session:
- b. No more than 18 hours a week when enrolled in any session of school when school is in session;
- c. No more than eight hours a day when not enrolled in a session of school or on a day when school is not in session; and
- d. No more than three hours a day when enrolled in any session of school on a day when school is in session. (A.R.S. 23-233(A))

Provisions

- 1. Allows an employer to:
 - a. Pay a wage equal to or greater than the federal minimum wage; and
 - b. Negotiate other terms and conditions of employment, consistent with state and federal law, with employees who are:
 - i. Under 22 years of age;
 - ii. Employed on a casual basis; and
 - iii. Enrolled as a full-time student. (Sec. 3)
- 2. Exempts individuals who meet the aforementioned criteria from certain statutory requirements related to permissible hours of labor for individuals under the age of 16. (Sec. 2)
- 3. Defines *casual basis* as employment that either:
 - a. Does not exceed 20 aggregate hours per week; or
 - b. Exceeds 20 hours per week if the excessive hours are irregular or for intermittent periods. (Sec. 1)
- 4. Makes technical and conforming changes. (Sec. 1,2)

\square Prop 105 (45 votes) \square Prop 108 (40 votes) \square Emergency (40 votes) \square Fiscal Note	Draw 105 (AF victor) Draw 100 (A0 victor) Draw (A0 victor) Draw (A0 victor)
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